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TO RUEHC/SECSTATE WASHDC IMMEDIATE 8098  
INFO RUEHBJ/AMEMBASSY BEIJING 4547  
RUEHUL/AMEMBASSY SEOUL 7545  
RUEHKO/AMEMBASSY TOKYO 7350  
RUEHCN/AMCONSUL CHENGDU 0985  
RUEHGZ/AMCONSUL GUANGZHOU 8892  
RUEHHK/AMCONSUL HONG KONG 5747  
RUESLE/AMCONSUL SHANGHAI 8293  
RUEHSH/AMCONSUL SHENYANG 4903  
RUEAIIA/CIA WASHDC  
RHEFDIA/DIA WASHDC  
RUEKJCS/SECDEF WASHDC  
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C O N F I D E N T I A L SECTION 01 OF 02 TAIPEI 000196

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TAGS: [PGOV](#) [TW](#)

SUBJECT: PEOPLE FIRST PARTY: COMING TO AN END?

REF: A. 2005 TAIPEI 4799

[1](#)B. 2005 TAIPEI 2839

[1](#)C. 2005 TAIPEI 2490

Classified By: AIT Director Douglas Paal, Reason(s): 1.4 (B/D).

[1](#)1. (C) Summary: Taiwan observers have been predicting the demise of the People First Party (PFP) for several years now, and now it is happening. After the PFP's poor showing in the December 2005 local election, PFP Legislative Yuan (LY) members have begun to return to the KMT in increasing numbers, threatening to deprive the party of the critical mass needed to maintain its political presence in the LY. Thirteen of the PFP's strongest and best-known figures, those who might be able to secure a KMT nomination for the LY race in December 2007, are expected to defect in the near future. The nineteen others who will stay behind have no political future anywhere else. Twelve remain loyal to Soong personally, and seven are "at-large" LY members elected by the party ticket without a district or constituency of their own. The PFP is also starting to disintegrate at the Taipei City Government level, with the recent decision by four of the PFP's seven City Council members to suspend operation of the PFP's caucus. End summary.

[1](#)2. (U) The PFP garnered little more than 1 percent of the total vote in last December's island-wide mayor/magistrate elections, compared to the KMT's 51 percent and capture of 14 of 23 contested seats. (Ref A) In 2007, the LY will be cut in half from 225 to 113, and 73 will be elected from single-member constituencies. An additional 34 "at-large" seats will be elected based on proportional voting on a second ballot for each voter to vote for political parties. Local observers predict that these changes will likely marginalize the smaller, less well-funded political parties, including the PFP, and encourage the growth of a two-party political system. (Ref B, C) Recognizing the elements of a perfect storm, PFP LY members are deserting the party and returning to the KMT, in hopes of securing a KMT nomination in the December 2007 LY election.

[1](#)3. (C) PFP Public Affairs Director Liao Wen-chang told AIT on January 17 that 13 of the PFP's 32 current LY members are ready to rejoin the KMT. Five "stars" will return to the KMT before the beginning of the next LY session in mid-February -- Justice Committee member Kao Su-po, Finance Committee member Chen Chin-pin, Education and Culture Committee member

Lee Yong-ping, Defense Committee member Lin Yu-fang, and Procedural and Justice Committee member Sun Ta-chien. Education and Culture Committee member Diane Lee announced her decision to return to the KMT on January 14. Liao said an additional seven LY members are expected to return to the KMT shortly thereafter. Only 19 LY members have expressed an intention to remain with the PFP until the end, said Liao, and seven of them truly have no choice in the matter, since they are "at-large" members without a district or constituency of their own. Taoyuan Magistrate and KMT insider Eric Chu seconded Liao's diagnosis. He told AIT that he and other senior KMT officials have been busy writing letters of recommendation for PFP members from the LY and local government levels who wish to rejoin the KMT. (Note: Under current rules, if the PFP were to win less than five seats in the 2007 LY election, which seems highly likely, they would lose their caucus in the LY, and would no longer be able to exploit the LY's "Party Consensus" rule, which requires all party caucuses to agree before legislation can move forward. The PFP could also lose the government subsidy provided to all parties who win at least five percent of the total ballots in the LY election. End note.)

14. (C) Liao added that the PFP is also eroding at the Taipei City Government level. Four of the PFP's seven Taipei City Council members departed the PFP caucus to join the KMT caucus. The PFP needs three members in good standing to make up a caucus in the City Council, but it only has two. The third, Lin Ding-yong, had his party membership suspended as punishment for making false accusations against the city government. Liao said the PFP is working to restore Lin to good standing within the party so that the PFP can meet the three-member minimum and reconvene its caucus.

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15. (C) Comment: If this trend continues, as seems likely, James Soong may no longer have a party that he can negotiate to reunite with the KMT. When that happens, he will have lost almost all of his influence within the Pan-Blue and any hope to counter the rise of Ma Ying-jeou. Ma knows that he does not have to do battle with Soong. He only has to wait, and that is what he is doing.  
PAAL